



ENERGY AND ENVIRONMENT

STRATEGIC OBJECTIVE :
MANAGEMENT OF PRODUCTIVE, LIFE-SUSTAINING NATURAL RESOURCES STRENGTHENED

BACKGROUND

USAID assists the Philippines to address four key challenges in the energy and environment sectors: competitiveness, corruption, conflict and conservation. An inefficient energy sector, severe environmental degradation and heavily polluted air and water, among other factors, undermine the competitiveness of the Philippine economy and quality of life of the Filipino people. Poor governance and corruption are largely to blame, and resultant conflict can further marginalize the rural poor and minority populations most dependent on natural resources for their livelihoods. USAID's strategic approach to these challenges seeks to achieve results in three areas:

- Energy Sector Performance
- Environmental Governance
- Urban Environmental Management

Focus on Mindanao Mindanao's extraordinary natural resource base could make a significant contribution to national food and fiber needs, were it not for continuing violent conflict and failures of governance hindering sustainable development. Lack of basic amenities—including electricity—in remote areas further constrains development of this important region.

Visit our website:

www.usaid-ph.gov

keyword: **energy, environment**

For more information, please contact:

Daniel Moore

Chief, Office of Energy and Environment

Tel.: 552-9821

E-mail: dmoore@usaid.gov

Energy Sector Performance: The Philippines' heavy reliance on foreign sources of energy for the power and transport sectors strains its economic development efforts. The cost of power generation and transportation remains high resulting in an unfavorable climate for investors to come into the Philippines. The traditional source of fuel for transport also contributes to the worsening air quality in the major urban centers of the country. In response, USAID supports the effort of the Philippine Department of Energy (DOE) to pursue its programs on energy independence, rural electrification and implementation of the power reform. Activities include the policy formulation and promotion of the use of indigenous and clean fuels through the development of the country's extensive natural gas reserves as well as wind, solar, hydro and other renewables. Through a private-public alliance, USAID is providing renewable energy-powered electricity to thousands of households in remote, conflict affected areas. USAID also provide support for the strengthening of the Energy Regulatory Commission and the DOE to implement reforms to encourage investors and protect consumers.



Environmental Governance: Illegal and destructive fishing and severe overfishing in this global biodiversity "Hotspot" threaten not only biodiversity but food security and the productivity of the natural resource base. Illegal logging threatens livelihoods, lives, and biodiversity, and is the driving factor in deforestation in the Philippines—at the highest rate in Southeast Asia. In response, and in partnership with the Department of Environment and Natural Resources, USAID assists local governments and communities to close open access and improve governance of natural resources through greater transparency, accountability, responsiveness, and participation. Without it, de facto open access and weak governance allow entrusted resource managers and outlaw groups to manipulate extraction of natural resources—often to finance efforts to destabilize democratically-elected governments.



Urban Environmental Management: Increasingly crowded urban centers face serious environmental hazards. Manila's airshed is one of the most polluted in the world, surpassed only by Mexico City, Shanghai and New Delhi. Nearly half of Manila's 13 million residents are without clean, safe drinking water. Ground water sources are increasingly contaminated. Forty percent of solid waste remains uncollected, and most of the rest is poorly managed. Together, these problems pose serious health and economic costs. In response, USAID works with a range of stakeholders to improve urban environmental management, implementing activities to reduce vehicle emissions; increase private investment in water supply and sanitation; and promote integrated solid waste management.

